

SAPC - 19339
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24 September 1957

MEMORANDUM FOR: Deputy Director (Support)

SUBJECT : Health Insurance Coverage for Dependents of
Project AQUATONE Pilots

1. With the prospect of continuing Project AQUATONE operations overseas at least through calendar year 1958, plans have been made to have the dependents of Project personnel join them at overseas locations. As you know, our concept to date has been centered about the maintenance of a high degree of mobility for personnel and equipment. Events of the past eighteen months have shown that the political impact of having an AQUATONE unit within the borders of a friendly country is less than we had anticipated, and consequently, we are shifting to a concept of a fixed base with a forward staging capability. In a fixed base operation, we are being consistent with cover to include dependents for unit personnel. Among those affected by this change will be the contract pilot types, many of whom are married, and whose dependents will join them overseas.

2. Coincident with this change in concept, we are rewriting the pilot contracts through an amendment to their basic agreement of employment. We have decided to offer medical and surgical insurance coverage for the dependents of such contract pilots who accompany the individual to his overseas location. It is our feeling that such coverage should be through the medium of the Agency GEHA, Inc., medical and surgical plan. The pilots themselves are guaranteed medical, surgical, dental and hospital benefits at no cost to themselves, under a separate provision of the original contract under which they were hired. The proposed amendment is intended to cover only their dependents.

3. It is my understanding that Article II, Section I, of the GEHA, Inc., By-Laws provides that the membership (in the various GEHA insurance plans) shall generally be limited to Staff Employees, Staff Agents, and civilian and military personnel detailed to CIA, but that, upon the specific approval of the Board of Directors, certain contract employees may also be eligible for GEHA membership.

4. In view of this quasi-restrictive clause and the rather unique employment status of the Project pilots, we should like to solicit your assistance, in whatever way you deem to be most effective, in obtaining the necessary coverage for these dependents under the Agency GEHA plan. Our present planning is to have the pilot contract amendment in shape to offer them for signature around 15th October. Since this

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benefit is an integral part of our new offer, it is my hope that the question at issue can be satisfactorily resolved prior to the first of October so that final contracts may be drawn up. I shall therefore await your guidance at the earliest opportunity.

(sgd) Richard M. Bissell, Jr.

RICHARD M. BISSELL, JR.
Special Assistant to the Director
for Planning

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